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In the Supreme Court of the United States

OCTOBER TERM, 1995

SHOWA ALUMINUM CORPORATION, ET AL., PETITIONERS

v.

MODINE MANUFACTURING COMPANY, ET AL.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

BRIEF FOR THE UNITED STATES INTERNATIONAL TRADE COMMISSION IN OPPOSITION

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QUESTION PRESENTED

Whether petitioners infringed respondent Modine Manufacturing Company's patent under the doctrine of equivalents.

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OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1a-28a) is reported at 75 F.3d 1545. The final decision of the International Trade Commission (Pet. App. 29a-31a) and the initial determination by the Chief Administrative Law Judge (Pet. App. 32a-86a (material portions only)), which the final decision adopted in part, are unreported.

JURISDICTION

The judgment of the court of appeals was entered on February 5, 1996. The petition for a writ of certiorari was filed on March 25, 1996. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

1. a. This case arose out of an investigation by the International Trade Commission (ITC) pursuant to Section 337 of the Tariff Act of 1930, 19 U.S.C. 1337. Respondent Modine Manufacturing Company[1] requested the ITC to investigate whether petitioners had imported into the United States condensers for automobile air conditioning systems that unlawfully infringed respondent's U.S. Patent No. 4,988,580 (the '580 patent).

The ITC determined that petitioners had not imported any products that infringed the patents in issue. Pet. 2; Pet. App. 29a-31a, 66a-86a. In so ruling, the ITC found that the '580 patent had not been literally infringed and found no infringement under the doctrine of equivalents. Pet. App. 29a-31a (adopting Initial Determination of Administrative Law Judge, *id.* at 32a-86a).

b. The court of appeals affirmed in part, vacated in part, and remanded. The court affirmed the ITC's ruling that the '580 patent was valid and enforceable, Pet. App. 23a-27a, but vacated the ITC's determination that the '580 patent was not infringed, *id.* at 7a-23a. Regarding infringement, the court ruled, first,

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[1] Although the International Trade Commission is also a respondent, references herein to respondent refer to Modine Manufacturing Company.

that the ITC's "finding of non-infringement was based on an incorrect claim construction, leading to an inadequate application of the [patent's] claims to the accused devices." *Id.* at 20a. In particular, the court determined that the ITC did not give correct scope to the terms "relatively small" and "about 0.015-0.040 inch" in the claim's description of the hydraulic diameter of the condenser tubes in the claimed device.

Second, citing its recent decision in *Hilton Davis Chemical Co.* v. *Warner-Jenkinson Co.*, 62 F.3d 1512 (Fed. Cir. 1995) (en banc), cert. granted, 116 S. Ct. 1014 (1996), the court ruled that the ITC did not correctly apply the doctrine of equivalents. Pet. App. 20a-21a. The court of appeals in *Warner-Jenkinson* held that, under the doctrine of equivalents, a product or process that does not literally infringe a patent, because it has elements that differ from those specified in the patent claim limitations, may nonetheless be held to infringe if the differences are insubstantial. 62 F.3d at 1516-1517. A principal measure of insubstantiality is "the so-called triple identity, or function-way-result, test." *Id.* at 1518. Under that test, "one device is an infringement of [the patent on] another 'if it performs substantially the same function in substantially the same way to obtain the same result.'" *Ibid.* (quoting *Sanitary Refrigerator Co.* v. *Winters*, 280 U.S. 30, 42 (1929)).

The court of appeals held that the ITC misapplied the function-way-result test when it determined that, although the function and result of the accused condensers were the same as those of the patented device, the condensers did not meet the "same way" facet of the test because some of petitioners' models had internal fins in their condenser tubes. Pet. App. 21a; see also *id.* at 80a-84a. The court of appeals noted that

the condensers function by surface tension and capillary forces, and ruled that, because respondent's evidence that inner fins did not substantially change that mode of operation was unrebutted, its condensers operated in the same way as petitioners'. *Id.* at 21a; see also *id.* at 7a-9a.

The court of appeals also determined that the ITC misapplied another component of the doctrine of equivalents known as prosecution history estoppel. Pet. App. 22a-23a. "Prosecution history estoppel implements the principle that a patentee cannot obtain, in an infringement suit, protection of subject matter that was relinquished in order to obtain allowance of other subject matter during prosecution of the patent application." *Id.* at 22a. The court held that the prosecution history estopped respondent only to the extent that it specifically relinquished the range of hydraulic diameters that extended "to the hydraulic diameter of [a prior patent]." *Id.* at 23a. Respondent was not otherwise "estopped to assert equivalency against any condenser with a hydraulic diameter larger than exactly 0.040 inch." *Ibid.*[2]

The court of appeals thus vacated the finding of noninfringement and remanded "for findings and redetermination with respect to literal infringement and infringement under the doctrine of equivalents." Pet. App. 28a. Petitioners challenge only the ruling regarding the doctrine of equivalents.

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[2] The court of appeals also held that the ITC erred in finding the doctrine of equivalents inapplicable in the absence of unscrupulous copying because, under *Hilton Davis*, "there is no equitable threshold for determination of the factual question of infringement by equivalency." Pet. App. 20a.

ARGUMENT

The issue presented by petitioners—whether a patent can be infringed by an accused product or process that is not within the literal scope of the patent, but is found to be "equivalent" to the invention claimed in the patent—is now before the Court in *Warner-Jenkinson Co.* v. *Hilton Davis Chemical Co.*, No. 95-728. Because the court of appeals' decision in this case was not a final judgment, however, the petition should be denied rather than held pending decision in *Warner-Jenkinson*.

The court of appeals did not decide either the literal infringement claim or the claim of infringement under the doctrine of equivalents, but remanded both claims to the ITC for further consideration. Pet. App. 28a. The court's order was thus interlocutory, and this Court should decline to exercise jurisdiction to review the application of the doctrine of equivalents. See *Virginia Military Institute* v. *United States*, 508 U.S. 946 (1993) (Scalia, J., concurring in denial of certiorari) ("We generally await final judgment in the lower courts before exercising our certiorari jurisdiction."); Robert L. Stern et al., *Supreme Court Practice* 196 (7th ed. 1993). On remand, the ITC could find literal infringement of the patent, thereby obviating any need to reach the question of infringement under the doctrine of equivalents. Moreover, if the Commission and the court of appeals do reach the question of infringement by equivalents, they may decide it correctly and will, of course, take into account any decision this Court renders in *Warner-Jenkinson*.

This case is now on remand to the ITC, and petitioners have moved to stay the proceedings pending

decision in *Warner-Jenkinson*. Whether or not the ITC grants that motion, it is possible that the ITC will not decide the case before this Court renders its decision in *Warner-Jenkinson*. In any event, the equivalents issue may be preserved in further proceedings and on appeal. After final judgment, a petition for certiorari, if necessary, could again be filed. See *Virginia Military Institute* v. *United States*, *supra*.

CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be denied. In the alternative, the Court may wish to hold the petition pending its deci sion in *Warner-Jenkinson Co.* v. *Hilton Davis Chemical Co.*, No. 95-728, and dispose of it as appropriate in light of that decision.

Respectfully submitted.

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